



DISASTER ASSISTANCE

Federal Disaster Loans for
Homeowners, Renters and Businesses of All Sizes

U. S. Small Business Administration
P. O. Box 419004, Sacramento, CA 95841-9004

Disaster Area 4 Office
(800) 488-5323 (916) 735-1500

Contacts: Rick Jenkins & Karl Whittington

Release Date: January 28, 2004

Press Release

Disaster Assistance Available for Small Businesses

Sacramento, CA – Small businesses in 13 California counties are eligible to apply for low interest disaster loans to offset economic losses because of reduced revenue to farmers and ranchers caused by excessive rainfall in Colusa County and extreme heat followed by unseasonable rainfall in Sacramento County, announced Alfred E. Judd, Disaster Area Director of the U. S. Small Business Administration (SBA). Small businesses in these two primary counties and 11 adjacent counties in California may apply for economic losses that are attributable to these related disasters and incident dates:

Colusa (adjacent counties of ***Butte, Glenn, Lake, Sutter and Yolo***) – excessive rain, which occurred on August 21, 2003;

Sacramento (adjacent counties of ***Amador, Contra Costa, El Dorado, Placer, San Joaquin, Solano, Sutter and Yolo***) – extreme heat followed by unseasonable rainfall, which occurred from July 10 through August 26, 2003.

Small businesses may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million to help meet financial obligations and operating expenses, which could have been met had the disasters not occurred. "Eligibility for these working capital loans is based on the financial impact of the disasters only, and not on any actual property damage. These loans have an interest rate of 2.953%, a maximum term of 30 years, and are restricted to businesses without the financial ability to offset the adverse impact without hardship," Judd said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Ann M. Veneman declared these disasters at the request of Dallas Jones, Office of Emergency Services Director, on behalf of former California Governor Gray Davis.

Businesses primarily engaged in farming or ranching are ineligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary's declaration.

Information and application forms may be obtained by writing to **SBA at P.O. Box 419004, Sacramento, CA 95841-9004** or by calling **(800) 488-5323**. Hearing impaired individuals may call (916) 735-1683. The deadline to apply is **August 19, 2004**.

****END****